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ABSTRACT

A study examined states' development of automated systems for the Job Opportunities and Basic Skills (JOBS) program administered by the states, with the Administration for Children and Families (ACF) responsible for program oversight and direction. Results indicated that ACF had not provided direction and focus in its systems development guidance to help states develop automated information systems that effectively support the basic JOBS program objective--helping welfare clients become employed. ACF's system development guidance instead focused merely on requirements for data collection and reporting on people in the program. Officials from all six states visited said that accessibility to a listing of available jobs or information on the kinds of jobs needed in the community would help caseworkers provide greater assistance to clients by helping them find jobs or tailoring a training program to increase their marketability. They did not design their systems to provide this information because they were concerned solely with meeting the federal requirements provided by ACF. Most of the 53 states and territories had automated JOBS information systems that were either operational or under development. The kind of system and degree of automation varied by state. Almost half of the states' systems did not collect all the data or have all the functions required by ACF. (Appendixes include a summary of questionnaire results and comments from the U.S. Department of Health and Human Services.) (YLB)

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United States General Accounting Office

GAO

Report to Congressional Requesters

June 1994

# WELFARE TO WORK

# JOBS Automated Systems Do Not Focus on Program's Employment Objective

ED 374 226

CE 067 122

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**United States**
**General Accounting Office**
**Washington, D.C. 20548**

**Accounting and Information**
**Management Division**

B-254910

June 8, 1994

The Honorable Daniel P. Moynihan
Chairman, Committee on Finance
United States Senate

The Honorable Donald W. Reigle, Jr.
Chairman, Subcommittee on Health for
Families and the Uninsured
Committee on Finance
United States Senate

This report responds to your request that we review states' development of automated systems for the Job Opportunities and Basic Skills Training (JOBS) program. JOBS is a federal and state effort intended to help people in the Aid to Families with Dependent Children (AFDC) program avoid long-term welfare dependence. The overall objective of the program is to provide the education, training, work experiences, and services AFDC recipients or applicants need to obtain jobs, thereby helping to reduce or eliminate the need for welfare support, which totaled a reported $61.5 billion in fiscal year 1993.[1] The program is administered by the states, with the Department of Health and Human Services' (HHS) Administration for Children and Families (ACF) responsible for program oversight and direction.

Because of your concern that states' development of automated systems be properly managed to ensure that the JOBS program is properly administered, we (1) reviewed the assistance ACF has provided to states for their systems development initiatives and (2) determined what progress states have made in developing automated systems to implement the program.

## Results in Brief

ACF has not provided the direction and focus in its systems development guidance to help states develop automated information systems that effectively support the basic JOBS program objective—helping welfare clients become employed. ACF's system development guidance instead focuses merely on requirements for data collection and reporting on people in the program (for example, information on skill levels and abilities of the JOBS client, the type of training and/or education being

[1]This amount relates to the three largest welfare programs—Aid to Families with Dependent Children ($22.3 billion), the Food Stamps program ($22.0 billion), and the Medicaid program, welfare-related portions ($17.2 billion).

received, or the status of individuals in these classes). The guidance does not describe how systems could be developed to aid caseworkers in finding employment for JOBS participants.

Officials from all six of the states we visited said that accessibility to a listing of available jobs or information on the kinds of jobs needed in the community would help caseworkers provide greater assistance to clients by helping them find jobs or tailoring a training program to increase their marketability. These officials also told us that they did not design their systems to provide this information because they were concerned solely with meeting the federal requirements provided by ACF. Without exploring how the systems could be designed to help meet program objectives, ACF has missed the greater opportunity and savings these systems could provide.

The states have made reasonable progress in developing systems to meet ACF's requirements. Most of the 53 states and territories that provided us with information have automated JOBS information systems that are either operational or under development. However, the kind of system and degree of automation varies by state. In addition, almost half of the states' systems do not collect all the data or have all the functions required by ACF, contributing to problems with the overall accuracy and completeness of JOBS program data.

## Background

Created by the Family Support Act of 1988 (P.L. 100-485), the JOBS program is intended to provide an effective nationwide welfare-to-work program that still gives states enough flexibility to operate programs that reflect local needs. The act requires all states to establish a JOBS program that provides AFDC recipients with the education, training, work experiences, and services they need to prepare for, accept, and retain employment and, thus, fulfill their responsibilities to support their children. States are also required to provide AFDC recipients with necessary support services, such as transportation and child care, to allow them to participate in the JOBS program. The act allows states to provide these services directly or through agreements with service providers. State welfare agencies are required to consult and coordinate with state labor and education agencies for the provision of JOBS services. Under the act, states were to have their JOBS programs in place by October 1, 1990, with statewide operation to be underway by October 1, 1992.

Federal funding for the program is provided each year to supplement a state's spending on JOBS, excluding child care, at matching rates varying from 50 to 90 percent. A state can lose any federal funding above 50 percent if it fails to meet the required participation rate (15 percent for fiscal year 1994), the target group expenditure requirement (55 percent each year), or the AFDC-UP (unemployed parents) participation rate (40 percent in fiscal year 1994). Reported federal spending for the JOBS program has increased from less than $50 million in fiscal year 1989 to nearly $700 million in fiscal year 1993, with an average of over 500,000 participants monthly. Total reported cumulative federal funds provided to states for the JOBS program exceeded $2 billion through the end of fiscal year 1993.

States are allowed to consider development and operation costs for JOBS automated information systems as program administrative costs, which are eligible for the 50 percent match rate. The act did not provide any additional or "enhanced" funding for the states to develop these systems.[2] The act also did not specify any requirements that JOBS automated information systems must meet, such as being able to interface with other automated systems, in order to be eligible for the federal matching funds. Federal regulations require only that JOBS automated information systems collect and report various data items on clients in the program.

If a state plans to spend over $500,000 for a system, it must submit an advanced planning document (APD) to ACF and receive its approval for the expenditure. Since the program's initiation, 26 states have submitted and had APDs approved by ACF. The federal share for these 26 projects to date is estimated at $32.7 million. Systems expected to cost less than $500,000 do not require ACF approval to receive the matching funds, and ACF does not track the cost or progress of these systems.

## Scope and Methodology

To accomplish our objectives, we reviewed the Family Support Act of 1988 to determine the purpose of and requirements for the JOBS program. We also contacted officials from HHS, the Department of Education, and the Department of Labor in Washington, D.C., to discuss the roles of their departments relative to the program. At ACF headquarters, we reviewed all APDs submitted to ACF by the states, as well as all reports prepared by ACF

[2]Under an amendment to the Social Security Act, effective July 1, 1981, states could receive 90 percent federal funding to develop Family Assistance Management Information Systems (FAMIS) that integrate several welfare systems. JOBS automated information systems were eligible for this 90 percent funding, but only for the costs incurred to link them to FAMIS. The Omnibus Budget Reconciliation Act of 1993 reduced this 90 percent funding for FAMIS to 50 percent.

from 1990 through 1992 detailing the progress of states in developing their JOBS program and automated systems. We also reviewed documentation provided by HHS to the states as guidelines for developing automated JOBS information systems.

At the state level, we requested information, using a structured instrument, to determine the current status of automated JOBS information systems from all 50 states, the District of Columbia, and the territories of the Virgin Islands, Puerto Rico, and Guam. We received responses from all but Guam. Again with the exception of Guam, we also conducted telephone interviews with officials in these entities concerning their JOBS programs and automated systems.

We visited six states (Delaware, Maryland, Nebraska, Oklahoma, Pennsylvania, and Virginia) chosen to represent different system types and systems in different stages of development. The results of discussions with ACF officials as to the status of these states' JOBS programs and their respective automated systems were used to make the selections. During these visits, we interviewed officials on their JOBS automated systems design and how that design affects the operation of the JOBS program. Finally, we reviewed detailed system data submitted by a seventh state—Wisconsin—because, according to ACF, the state was proposing new system innovations for the JOBS program.

We conducted our review between August 1992 and February 1994, in accordance with generally accepted government auditing standards. The Department of Health and Human Services provided written comments on a draft of this report. These comments are presented and evaluated in the report, and are reprinted in appendix II.

## Failure to Translate JOBS Objective Into System Guidance Limits Effectiveness of State Systems

The overall objective of the JOBS program is to help participants become employed. However, ACF did not translate this objective into system guidance for the states. Instead ACF's guidance focused on process steps designed to collect and report data on JOBS clients as they move through the program. As a result, the primary purpose of the automated information systems being developed by the states is to meet federal data collection and reporting requirements, not to help clients become employed. This limits the effectiveness of the systems in helping to achieve the overall program objective.

Most successful automation efforts begin with management having a clear business vision of the organization's goals and objectives. This business vision is then communicated to those responsible for automation efforts to help ensure that the information systems they develop support organizational goals and objectives. However, for JOBS, ACF did not determine how technology could best be used to fulfill the overall objective of the program—helping participants become employed—and translate this into systems development guidance for the states.

According to ACF officials, the Family Support Act did not require that a specific automated system be used to support the JOBS program, nor did it provide "enhanced funding" for system development. Also, ACF did not tell the states how to develop their systems. ACF's initial guidance to the states was contained in October 1989 program regulations and essentially allowed states to develop any kind of system, automated or manual, as long as it was capable of producing certain data elements to provide information about individuals in the program.[3] These data include information about the particular JOBS client, such as skill and educational levels; the type of training and/or education the client is receiving; status of the individual in these programs (that is, success and attendance in classes); and whether a job was obtained.

In October 1990, ACF published system functional requirements (processes that the state systems should perform) for the states to include in the systems they were developing. These requirements or processes were directed at the tracking, collecting, and reporting of information on individuals in the JOBS program. In June 1991, after about half the states had begun developing their systems, ACF published its General System Design Document. This guidance was based on the previously issued functional requirements and, thus, was also directed at tracking, collecting, and reporting information on individuals.

ACF's guidance did not discuss how states should develop their systems to assist caseworkers in getting participants jobs. For example, the JOBS system could be linked with other sources of job market information such as local education and labor agencies or other local or private sources. Such linkages would not have to be completely automated or on-line with other systems, but would only need to provide caseworkers with information on current jobs, historical job availabilities, and other job demographics, and assist them in preparing the individual for employment.

[3]ACF uses data to determine who and how many are participating in the program. Consequently, the data are important in that states can lose federal funds if certain levels of performance are not obtained.

State officials in the six states we visited told us that their main concern was to develop a system to gather and report JOBS program data. Since the federal program regulation required them to send data to ACF starting October 1, 1991, they feared failure to meet this requirement would result in a loss of federal funds. The program data being gathered by the states are useful, both to ACF and the states. ACF uses these data, among other things, to determine participation rates and federal funding, while states use these data to help manage their programs. For example, JOBS system data on clients' attendance in various training classes is used by the states as the basis for payments to training service providers.

However, while the systems provide useful data, they do not help meet the program's overall objective. Officials in the six states we spoke with confirmed that job placement assistance is not a major system objective. They said that they did not see a major emphasis from ACF on developing systems that would assist a JOBS caseworker in helping a client find employment. Thus, they did not incorporate this objective into their system designs.

For instance, their JOBS systems do not have processes, either manual or automated, to input data from local job placement activities or other private sources of job information. Thus, the caseworker working with a JOBS client does not have information on his/her computer terminal that would assist in preparing and placing the individual in work. Instead, a caseworker's personal knowledge of available jobs is usually the basis for placing JOBS clients in jobs. All of the state officials we spoke with agreed that if caseworkers had a current listing of available jobs or information on the kinds of jobs needed in the community, they would be of greater assistance to clients in providing training for jobs and in their job search.

## States' Progress in Developing JOBS Systems

All 50 states, the District of Columbia, and 2 territories—the Virgin Islands and Puerto Rico—have some kind of system to collect and report data required by the JOBS program. However, the kinds of systems and degree of automation varies. These variations have contributed to problems with the quality of JOBS program data.

### States Develop a Variety of Different Systems

Although ACF provided the states with system guidance to identify the required data collection and reporting functions, it did not require that these functions necessarily be automated or that a specific kind of system

be developed. As a result, states have taken different approaches in developing their systems. For example, of the 53 states and territories

- 22 have statewide JOBS systems that are either integrated with their Family Assistance Management Information System (FAMIS) or an automated AFDC system,
- 23 have statewide stand-alone systems that interface with their AFDC programs, and
- 8 have JOBS systems that are not statewide.

States also have a variety of methods for handling data within their systems. Of the 22 systems that are integrated with either FAMIS or an automated AFDC system, only 10 handle data in a electronic manner (that is, electronically receiving data from the AFDC program or other JOBS service providers and preparing required reports for both state and federal managers). The remaining 12 use a combination of automated and manual methods to gather and report the data.

Similarly, for the 23 stand-alone JOBS systems that interface with the state AFDC program, only 3 transfer data electronically between the JOBS and AFDC programs. Nineteen of the systems use a combination of automated and manual processes to gather and report data, while the one system performed these functions manually.

Finally, of the eight states with no statewide JOBS system, three have systems that use a combination of automated and manual processes in certain locations while the five use manual methods. Essentially, though, all eight of these states manually gather and summarize the required information, and then report it to state and federal officials. Appendix I provides a summary of the automated JOBS information systems for all 53 states and territories that provided information to us.

## ACF Working to Address Data Quality Problems

Despite progress by the states and territories in developing their JOBS systems, continuing problems exist with the accuracy and completeness of the data they submit. ACF generally characterizes the JOBS data reported by the states thus far as inconsistent, inaccurate, and incomplete. ACF is currently working with the states to correct these problems.

In May 1993, ACF published the first data on overall JOBS program activities—final estimates of JOBS participation for fiscal years 1991 and 1992. However, ACF officials said there were questions about the accuracy

and completeness of the data. As an example, they cited inconsistencies in the numbers of program participants reported. We also previously analyzed JOBS participation data and reported in May 1993 that they were not accurate nor comparable across states.[4]

Our current review showed that 21 state systems did not collect all the data or have all the functions required by ACF. Further, as of September 1993, two states still had not successfully sent data to ACF. Almost all the states told us they were having difficulty meeting some of the data and functional requirements for the JOBS program. For example, most states have problems reporting child care information to ACF because state programs and related systems do not collect this information and much of it has to be collected manually. Further, many state systems have not yet developed system functions such as an information exchange with other agencies (for example, child care, labor, and education agencies).

Another contributing factor to poor data quality could be the amount of data that were collected and reported manually. While ACF guidance permits the states to collect and report data manually, manual data handling (such as up-loading and/or down-loading data from one operational unit to another or physically carrying or sending floppy discs containing the data from one point to another) increases the chance that errors will be introduced. Only 13 states handle data in an automated manner; 34 of the states use a mixture of automated and manual methods to handle data, while 6 are completely manual.

ACF reviews of the states' program operations cite several major causes for poor quality data, including (1) states not collecting all or the correct data and (2) incomplete automated systems. ACF is currently visiting the states to discuss these problems and to correct the data being sent.

## Conclusions

While additional effort will be needed by ACF and the states to correct lingering data problems and incorporate further automation, the states have made progress in their development of automated systems to support the JOBS program. However, developed in response to ACF's system development guidance, these systems are narrowly focused on tracking program participants and collecting and reporting data to ACF, missing the greater opportunity that the systems could offer. Despite the millions of dollars in welfare costs that could potentially be saved by moving welfare

[4]Welfare to Work: JOBS Participation Rate Data Unreliable for Assessing States' Performance (GAO/HRD-93-73, May 5, 1993).

clients from welfare to employment, ACF failed to determine how information technology could best be applied to help achieve this overall program objective.

## Recommendations

We recommend that the Secretary of HHS direct the Assistant Secretary for Children and Families to

- work with the states, the District of Columbia, and the U.S. territories to determine how technology can best be used to achieve the overall JOBS program objective of helping welfare clients become employed and
- incorporate these features into system guidance for use by the states in further developing their automated JOBS information systems.

We also recommend that the Secretary direct the Assistant Secretary to continue working with the states to correct problems with JOBS data and that the results of this work be provided to other states to improve the overall quality of these data.

## Agency Comments and Our Evaluation

In written comments on a draft of this report, the Department of Health and Human Services said they generally agreed with our findings and recommendations. They also agreed that technology should support the overall objective of the JOBS program—helping participants become employed—and that this could be facilitated by the states' automated JOBS systems.

However, HHS officials also said that they did not agree with our interpretation of their implementation of the legislation and the corresponding guidance that was provided. They also said that we did not fully recognize the importance of the work they had done and the limitations within which they had to work.

First, they said that they could not require data linkages, as we suggest, because no enhanced funding (that is, over the normal 50 percent provided by the federal government) was provided for states' JOBS systems. The officials said that without this enhanced funding they could not issue prescriptive guidance, but instead had to give the states' great flexibility in designing their systems. We agree that because the JOBS program varies by state, flexibility is necessary. However, because the government still helps fund state systems, we believe ACF could have provided greater guidance

to the states detailing how they could design their systems to assist caseworkers.

HHS also stated that we did not adequately recognize the requirement for a data exchange with state labor and education agencies that ACF included in the functional requirements. We did not mean to downplay the importance of this requirement, but merely point out that this is only one step towards providing caseworkers with the information they need. If this requirement could be included, then why not other data exchanges, such as with relevant databases concerning the job market?

Finally, HHS stated that we did not put sufficient value on the data being collected by the state agencies. We fully agree that the data being collected are important (as we state on page 6) and that both HHS and the states are using the data to help manage the program. However, the purpose of the JOBS program goes beyond handling data. We believe ACF missed the greater opportunity that technology could have provided to help AFDC recipients become employed.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the date of this letter. We will then send copies to the Secretary of Health and Human Services; the Director, Office of Management and Budget; and interested congressional committees. Copies will also be made available to others upon request.

Please contact me at (202) 512-6252 if you have any questions about this report. Other major contributors are listed in appendix III.

Frank W. Reilly
Director, Information Resources
Management/Health, Education,
and Human Services

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**Abbreviations**

| | |
|---|---|
| ACF | Administration for Children and Families |
| AFDC | Aid to Families with Dependent Children |
| APD | advanced planning document |
| FAMIS | Family Assistance Management Information Systems |
| JOBS | Job Opportunities and Basic Skills |
| HHS | Department of Health and Human Services |

# Summary of State JOBS Automated System Questionnaire Results

| State | JOBS Automated System Type | Program Implementation Date | System Data Handling Capacity[a] | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Referral | Casework | Reports | Information Exchange | Electronic Transmission of Data to HHS/ACF[b] | Use of HHS/ACF General Systems Design in Early Design | JOBS Required Data Useful to State[c] | System Complete | Program Statewide |
| Alabama | Stand-alone (testing[d] integration with a Family Assistance Management Information System) | 04/90 | A/M | A | A/M | ● | ● | ○ | ○ | ● | ● |
| Alaska | Integrated with FAMIS | 10/90 | A/M | A/M | A/M | ● | ○ | ○ | ○ | ○ | ● |
| Arizona | Stand-alone - will interface with Child Care System | 10/90 | A | A/M | A/M | ● | ○ | ○ | ◎ | ● | ● |
| Arkansas | Stand-alone - interface with Food Stamps System | 07/89 | A/M | A/M | A/M | ● | ○ | ○ | ● | ○ | ● |
| California | Not statewide | 07/90 | M | A/M | A/M | ● | ○ | ○ | ● | ○ | ● |
| Colorado | Stand-alone | 01/90 | M | A/M | A/M | ● | ○ | ○ | ○ | ● | ● |
| Connecticut | Integrated with FAMIS | 07/89 | A | A | A/M | ● | ○ | ○ | ● | ○ | ● |
| Delaware | Integrated with FAMIS | 10/89 | A | A | A/M | ● | ○ | ○ | ● | ● | ● |
| District of Columbia | Stand-alone | 04/90 | M | A/M | A/M | ● | ○ | ● | ● | ● | ● |
| Florida | Stand-alone | 10/89 | A/M | A/M | A/M | ○ | ○ | ○ | ● | ● | ● |
| Georgia | Integrated with FAMIS | 7/89 | A | A/M | A | ● | ○ | ○ | ● | ○ | ○ |
| Hawaii | Not statewide | 10/90 | M | M | M | ◎ | ● | ○ | ○ | ○ | ● |
| Idaho | Integrated with FAMIS | 10/90 | A | A/M | A | ● | ● | ● | ● | ● | ● |

A - Automated

M - Manual

A/M - Both automated and manual

● Yes

○ No

◎ Some

**Appendix I**
**Summary of State JOBS Automated System Questionnaire Results**

| State | JOBS Automated System Type | Program Implementation Date | System Data Handling Capacity[a] | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Referral | Casework | Reports | Information Exchange | Electronic Transmission of Data to HHS/ACF[b] | Use of HHS/ACF General Systems Design in Early Design | JOBS Required Data Useful to State[c] | System Complete | Program Statewide |
| Illinois | Stand-alone | 04/90 | A/M | A/M | A/M | ○ | ● | ○ | ● | ● | ● |
| Indiana | Stand-alone | 10/90 | M | A/M | A | ○ | ● | N/A | ● | ● | ● |
| Iowa | Integrated with FAMIS | 07/89 | A | A/M | A/M | ● | ● | ○ | ○ | ● | ● |
| Kansas | Integrated with FAMIS (10/93) | 10/89 | A | A/M | A/M | ● | ● | ○ | ○ | ● | ● |
| Kentucky | Stand-alone | 10/90 | A | A/M | A/M | ○ | ● | ● | ○ | ● | ● |
| Louisiana | Stand-alone | 10/90 | A/M | A/M | A/M | ○ | ● | ○ | ● | ● | ● |
| Maine | Integrated with other welfare systems | 10/90 | A | A/M | A | ● | ● | ● | ● | ● | ● |
| Maryland | Stand-alone | 07/89 | A/M | A/M | A/M | ○ | ◐ | ○ | ◐ | ○ | ● |
| Massachusetts | Integrated with FAMIS | 07/89 | A | A/M | A/M | ● | ● | ○ | ○ | ○ | ● |
| Michigan | Stand-alone | 07/89 | A/M | A/M | A/M | ○ | ● | ○ | ● | ○ | ● |
| Minnesota | Not statewide | 07/89 | M | A/M | A/M | ○ | ● | ● | ○ | ○ | ● |
| Mississippi | Not statewide | 10/90 | M | M | A/M | ○ | ● | ● | ● | ○ | ● |
| Missouri | Integrated with FAMIS | 07/90 | A | A | A/M | ● | ● | ○ | ● | ● | ● |
| Montana | Stand-alone | 07/90 | A/M | A/M | A/M | ○ | ● | ○ | ◐ | ○ | ● |
| Nebraska | Stand-alone | 10/90 | A/M | A/M | A/M | ○ | ● | ○ | ◐ | ● | ● |
| Nevada | Integrated with AFDC/Child Support Enforcement | 07/89 | A | A/M | A/M | ● | ● | ○ | ◐ | ○ | ● |

A - Automated
M - Manual
A/M - Both automated and manual
● Yes
○ No
◐ Some



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**Appendix I**
**Summary of State JOBS Automated System Questionnaire Results**

| State | JOBS Automated System Type | Program Implementation Date | System Data Handling Capacity[a] | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Referral | Casework | Reports | Information Exchange | Electronic Transmission of Data to HHS/ACF | Use of HHS/ACF General Systems Design in Early Design | JOBS Required Data Useful to State | System Complete | Program Statewide |
| New Hampshire | Not statewide | 10/89 | M | M | A/M | ○ | ● | ○ | ◎ | ○ | ○ |
| New Jersey | Integrated with FAMIS | 07/89 | A | A/M | A/M | ● | ● | ◎ | ○ | ○ | ● |
| New Mexico | Stand-alone | 01/90 | A | A/M | A/M | ○ | ○ | ○ | ○ | ○ | ○ |
| New York | Integrated with AFDC and other welfare systems | 10/90 | A | A/M | A/M | ● | ● | ○ | ● | ○ | ● |
| North Carolina | Stand-alone | 10/90 | A/M | A/M | A/M | ○ | ● | ○ | ● | ○ | ● |
| North Dakota | Combination of Data Collection Module added to FAMIS and JOB Service (Casework) System | 04/90 | A | A/M | A/M | ● | ● | ● | ● | ● | ● |
| Ohio | Integrated with FAMIS | 07/89 | A | A/M | A/M | ● | ● | N/A | ● | ● | ● |
| Oklahoma | Integrated with FAMIS | 07/89 | A | A/M | A | ● | ● | ○ | ◎ | ○ | ● |
| Oregon | Integrated with FAMIS | 10/90 | A | A/M | A | ● | ● | ○ | ● | ● | ● |
| Pennsylvania | Stand-alone | 10/89 | A | A/M | A/M | ● | ● | ○ | ◎ | ● | ● |
| Puerto Rico | Not statewide | 10/90 | M | M | M | ○ | ● | N/A | ● | ○ | ● |
| Rhode Island | Integrated with AFDC and other welfare programs | 07/89 | A | A | A | ● | ● | ● | ● | ● | ● |
| South Carolina | Stand-alone | 10/89 | M | A/M | A | ○ | ● | ● | ● | ● | ○ |
| South Dakota | Stand-alone | 10/89 | A/M | A/M | A/M | ● | ● | ○ | ○ | ● | ● |

A - Automated
M - Manual
A/M - Both automated and manual
● Yes
○ No
◎ Some

| State | JOBS Automated System Type | Program Implementation Date | System Data Handling Capacity[a] | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Referral | Casework | Reports | Information Exchange | Electronic Transmission of Data to HHS/ACF[b] | Use of HHS/ACF General Systems Design in Early Design | JOBS Required Data Useful to State[c] | System Complete | Program Statewide |
| Tennessee | Stand-alone | 10/90 | A/M | A/M | A/M | ● | ● | ○ | ○ | ● | ● |
| Texas | Stand-alone | 10/90 | A/M | A/M | A/M | ○ | ● | ○ | ○ | ● | ● |
| Utah | Stand-alone | 10/89 | M | A/M | A/M | ○ | ● | ○ | ◎ | ○ | ● |
| Vermont | Stand-alone | 10/90 | M | A/M | A/M | ○ | ● | ○ | ○ | ● | ● |
| Virgin Islands | Not statewide | 04/90 | M | M | M | ○ | ○ | N/A | ○ | ○ | ● |
| Virginia | Integrated with FAMIS | 10/90 | A/M | M | A/M | ○ | ● | ○ | ◎ | ○ | ● |
| Washington | Stand-alone | 10/90 | A/M | A/M | A/M | ○ | ● | ○ | ○ | ● | ● |
| West Virginia | Not statewide | 10/89 | M | M | A/M | ○ | ● | N/A | ◎ | ○ | ● |
| Wisconsin | Stand-alone | 07/89 | A/M | A/M | A/M | ○ | ● | ○ | ◎ | ○ | ● |
| Wyoming | Integrated with AFDC System | 07/90 | A | A/M | A/M | ○ | ● | N/A | ● | ● | ● |

A - Automated

M - Manual

A/M - Both automated and manual

● Yes

○ No

◎ Some

[a]Indicates the primary use of automated (A), manual (M), or a mixture (A/M) of both methods to accept data out of the system.
—Referral refers to the method used to transfer AFDC referral of person to JOBS automated system and to transfer necessary information back to AFDC.
—Information Exchange refers to exchanges of information with Department of Labor, Department of Education, private firms, job and training databases, and other facilities outside of the JOBS system.

[b]Electronic transfer refers to modem transmission of data from a standard PC/tape transfer for FSA 108 requirement.

[c]Refers to whether data required to be collected by federal government are used by state government in overseeing the JOBS program.

[d]All stand-alone JOBS systems have an interface (automated or manual) to the AFDC system for referral of the AFDC client to the JOBS program.



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# Comments From the Department of Health and Human Services

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Washington, D.C. 20201

APR 26 1994

Mr. Gene L. Dodaro
Assistant Comptroller General
United States General
Accounting Office
Washington, D.C. 20548

Dear Mr. Dodaro:

Enclosed are the Department's comments on your draft report, "Welfare to Work: JOBS Automated Systems Do Not Focus on Program's Employment Objective." The comments represent the tentative position of the Department and are subject to reevaluation when the final version of this report is received.

The Department appreciates the opportunity to comment on this draft report before its publication.

Sincerely yours,

June Gibbs Brown
Inspector General

Enclosure

COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES ON THE U.S. GENERAL ACCOUNTING OFFICE'S DRAFT REPORT "WELFARE TO WORK: JOBS AUTOMATED SYSTEMS DO NOT FOCUS ON PROGRAM'S EMPLOYMENT OBJECTIVE," (GAO/AIMD-94-44)

General Comments

The General Accounting Office (GAO) draft report concludes that the Administration for Children and Families (ACF) has not provided the direction and focus in its systems development guidance to help States develop automated Job Opportunities and Basic Skills Training (JOBS) information systems that will find employment for welfare clients. According to the report, ACF guidance focuses only on requirements for data collection and reporting on JOBS program participants. The report recommends that ACF work with States to determine how technology can best be used to achieve the overall program objective of helping welfare clients become employed.

The Department agrees that technology should support the overall objective of the JOBS program, helping participants become employed. Furthermore, we believe that this can be facilitated by the States' automated JOBS systems. However, we do not agree with GAO's interpretation of our implementation of the legislation and the corresponding guidance that was provided. The systems capability proposed by GAO is not required under law nor would it be prudent for every State and jurisdiction. For example, there exists a diversity of State and local systems for JOBS education/employment services. The availability of job market information may also be more effectively and efficiently provided through other formats. Likewise, some JOBS programs rely on other agencies and providers including contractors to undertake primary job placement. We believe that ACF guidance describes how automated systems could be developed to support the required JOBS program objectives. ACF developed and issued systems guidance to assist the States in the implementation of their JOBS automated systems as follows:

- issued the JOBS Program Action Transmittal (AT), JOBS-FSA-AT-90-14, on October 10, 1990;
- issued the JOBS General Systems Design (GSD) and Data Element Dictionary (DED) in June, 1991; and
- conducted a number of conferences and workshops, both national and regional.

We believe it is significant that Congress did not approve enhanced funding for development of JOBS systems, as approved for Family Assistance Management Information Systems and Child Support Enforcement systems. The report underestimates the impact of the lack of enhanced funding. The Department believes

that had there been an enhanced match, States would have been more likely to have fully automated their systems, including the addition of module(s) which would have permitted the exchange of employment information with relevant data bases.

We purposefully did not require comprehensive systems to be developed since States were unable to fund the requirement. However, we believe that with the maturation of the JOBS program, we are moving into a new phase where we would agree that greater emphasis can be placed on JOBS systems requirements.

The ACF guidance documents provided specific information on functional elements which should be considered in developing a JOBS automated system. They cover a broad range of processes involved in the management of a JOBS program and are not limited to developing merely a data collection and tracking system as the GAO report maintains. The documents also cover essential case management functions, worker tools, program support and reporting to effectively administer the program. This is not acknowledged in the report, nor does it reflect the critical importance of phasing in the JOBS program and reporting requirements in a way that would be acceptable to States. The functional elements also reflect ACF's concern that the systems design support the basic JOBS program goals. In developing them, ACF believed it had to allow States considerable flexibility in implementing their systems because it could not offer enhanced funding for JOBS systems initiatives. Thus, our guidance in this area was neither restrictive nor prescriptive.

The GAO has not accurately reflected the value of systems that support tracking and data collection. This information is not only essential for legislative reporting, but is also necessary for the effective administration of the JOBS program and successful JOBS placements.

The draft report states that ACF guidance did not discuss linkages with sources of job market information. However, the functional elements specifically include, among others, an information exchange. The recommended consideration of this module would provide an exchange of information between the JOBS program and related human service, education, training, and employment programs. This includes, among others, exchanges with State and local education and training services; with the State employment service agency to provide data on job availability, labor market projections, and relevant services; an exchange with the Job Training Partnership Act (JTPA) administrative agency to provide data on JTPA-funded programs and contractors; and an exchange with private industry councils. This module facilitates accessibility to listings of available jobs or information on the kinds of jobs needed in communities to help caseworkers provide greater assistance to JOBS participants in seeking employment. We believe that the reasons many States have chosen not to

incorporate this module into their JOBS systems are: 1) cost constraints, and 2) lack of automation in the education and employment service agencies. We request that the report be revised to reflect this.

The GSD and DED were issued to assist States in planning, developing, and/or implementing JOBS automated systems. The GSD is based on, and further develops, the systems guidance contained in the aforementioned AT. It details functions which a State may elect to include as part of a JOBS systems design, including a list of functions which ACF views as basic considerations. The document provides States guidance in translating program functions into systems requirements, mapping between program functions and automated system functions, developing the link between the systems perspective and the program manager, and includes a general list of systems design issues to assist States in developing a useful and efficient design for a JOBS system. Chapter IX addresses JOBS system information exchanges in detail. The DED is intended to assist States in identifying, defining, collecting, and managing information to be used with their JOBS systems.

*GAO Recommendation*:

*We recommend that the Secretary of HHS direct the Administrator for Children and Families to:*

- *work with the states, the District of Columbia, and the U.S. territories to determine how technology can best be used to achieve the overall JOBS program objective of helping welfare clients become employed and*
- *incorporate these features into system guidance for use by the states in further developing their automated JOBS information systems.*

Department Response:

We agree with the report's statement that greater emphasis should be placed on JOBS systems requirements for supporting the overall JOBS program objectives. However, we disagree with the report's findings that ACF has not provided direction and focus in its systems development guidance to effectively support the JOBS program objectives as interpreted by the GAO. We do not agree with GAO's interpretation of our implementation of the legislation and the corresponding guidance that was provided. The systems capability proposed by GAO is not required under law, nor would it be appropriate for every State and jurisdiction. For example, there exists a diversity of State and local systems for JOBS education/employment services. We believe that ACF guidance describes how automated systems could be developed to

support additional JOBS program objectives. ACF developed and issued systems guidance to assist the States in the implementation of their JOBS automated systems. Our technical assistance was in keeping with the budgetary resources available to States under Federal funding legislation.

We also believe that the GAO did not adequately recognize the systems technical assistance guidance in relation to the JOBS program's progress from the time of the legislation. The materials we developed, including the JOBS AT, the JOBS GSD, and the JOBS DED, as well as the numerous conferences and workshops we conducted, demonstrate our commitment to aiding States in developing JOBS automation efforts that further the scope of the JOBS program. For example, our guidance recommended inclusion of an information exchange module to facilitate communication with the following: the State employment service agency to provide data on job availability, the JTPA administrative agency to provide data on JTPA-funded programs and contractors, and the private industry councils, among others. We will continue to assess the guidance in this area for furthering State systems development.

*GAO Recommendation*:

*We also recommend that the Secretary direct the Administrator to continue working with the states to correct problems with JOBS data and that the results of this work be provided to other states to improve the overall quality of these data.*

Department Response:

We do not believe that the GAO has accurately reflected the value of systems that support tracking and data collection. This information is not only essential for legislative reporting, but is also necessary for the effective administration of the JOBS program and successful JOBS placements.

ACF recognizes that a number of States have had difficulty providing some of the data required and that the accuracy of some of the data submitted by the States has been questioned. The ACF's JOBS staff, which has responsibility for the validity and accuracy of these reports, has, through its regional offices as well as with central office staff, provided technical assistance whenever possible. Staff have been in contact with all States on a continuing basis in an effort to clarify the mandatory data definitions and to aid in the timely submission of error free reports. As the focus on JOBS increases, such assistance will continue.



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